

Rebates & income taxes

Planning to buy a new car or dishwasher or some other appliance being offered for sale with a cash rebate? You'll be interested in this ruling from Internal Revenue Service (IRS):

- Since cash rebates are not considered to be income, no income tax must be paid on such rebates.

IRS explains that if you, as a consumer, receive a rebate from a dealer—even in the form of cash or a check—the rebate is viewed as a discount. It is not taxable.

However, this reasoning would not necessarily apply in other situations where the money might be called a "rebate." An employer, for instance, might give a "rebate" to an employee. Although IRS has not yet ruled on such a situation, it may decide that such money is, in fact, "payment for services"—which is taxable.

NOTE: On rebates for consumer purchases, Office of Consumer Affairs (OCA) advises: Be clear about the amount of the rebate & the form of payment. Get it in writing before you clinch the deal.

Miles per gallon data

Environmental Protection Agency (EPA) has published fuel economy results for new 1975 cars & light-duty trucks tested between December 1, 1974, & January 15, 1975.

The additional data include vehicles to be sold nationwide & those to be sold only in California. California's emission requirements are different from Federal standards that apply elsewhere & therefore are tested & listed separately.

An updated version of *1975 Gas Mileage Guide for New Car Buyers* (CONSUMER NEWS, Oct. 1, 1974), containing fuel economy results for all cars certified as of January 15, is now available. For a free single copy, write to Consumer Information, Pueblo, Colorado, 81009; free bulk copies may be requested from Fuel Economy, Federal Energy Administration, Washington, D.C. 20461.

White House meeting

At the invitation of Virginia Knauer, Special Assistant to the President, more than 75 consumer leaders from government, industry & universities met at the White House, March 11, to exchange ideas & recommend priorities for 1975.

Among the issues covered were: special consumer education materials for low-level readers & nonreaders; evaluation of consumer programs to determine what works for whom & why; communications vehicles for disseminating consumer information.

consumer news

DEPARTMENT OF HEALTH, EDUCATION & WELFARE
Office of Consumer Affairs
Virginia H. Knauer, Director

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Food safety

Agriculture Dept. estimates that there will be approximately 6 million new gardeners this year, & many of these will try to can food from their gardens. But because improper canning can lead to food contamination & sometimes botulism poisoning, Nancy Steorts—Agriculture Special Assistant to the Secretary for Consumer Affairs—has launched a nationwide campaign to inform consumers of safe & correct procedures to use in the home preservation of foods.

Agriculture in cooperation with state Agriculture Extension Service offices will hold regional meetings on home canning & food safety in the following cities: Los Angeles, April 25; Dallas, May 13; Atlanta, May 20; Philadelphia, June 4; Chicago, June 11; Denver, June 12; Minneapolis, June 17; Seattle, June 19; & Detroit, July 8. In addition, Agriculture provides these tips on how to prevent botulism through proper canning:

Bacteria that causes botulism is a common soil organism. Washing food does not remove all of the bacteria. Thus, it is present in nearly all the food canned.

- Botulism bacteria—*Clostridium botulinum*—produces an extremely heat resistant spore. This spore cannot be destroyed by boiling at 212 degrees F. (100 degrees Celsius). Temperature of 240 degrees F. (116 degrees Celsius) is needed to destroy the spore. In the home, the only way this temperature can be obtained is with a steam pressure cooker. This equipment is essential for canning low acid foods—such as corn, peas, beans & meat—that are prime candidates for growing botulism bacteria.

- High acid foods—such as tomatoes—do not support the growth of botulism bacteria as well as high acid foods & can therefore be canned in a boiling bath if all instructions are followed.

Center for Disease Control (CDC) which monitors the incidence of botulism across the country, provides the following information about the symptoms of botulism poisoning & treatment available for persons who get it:

- Onset of illness from botulism usually occurs 12-48 hours after eating contaminated food. Common symptoms are blurred vision, difficulty in speaking, difficulty in swallowing & dry mouth & throat. Weakness of the arms & legs & difficulty in breathing are common as the disease progresses.

- Treatment of the disease consists of intensive medical care, cleansing of the intestine with cathartics & administration of an antitoxin. Fatality rates from botulism were once as high as 60%. With improvements in medical care, more persons survive today although the disease still causes death in one out of 4 affected persons.

CONSUMER NEWS is providing consumers with 1974 job-performance figures for 20 household moving companies. Interstate Commerce Commission (ICC) collected the data.*

Under an ICC regulation published in March 1974 [CONSUMER REGISTER: Aug. 1, 1974], all household moving companies are required to provide ICC with these performance statistics every year. Companies must also give these statistics to all prospective customers [CONSUMER NEWS: March 1]. The 20 companies covered here have already reported to ICC. Among them, they handle 70-80% of the household moving in the U.S., according to ICC. When the remaining companies file the required reports, ICC will publish them also.

Chart shows shipments by average consumers—individuals & families who shipped their own household goods & paid their own bills.**

How the top 20 moving companies compare

Performance data	Aero Mayflower Transit Co.	Allied Van Lines	American Red Ball Transit Co.	Atlas Van Lines	Bekins Van Lines Co.	Burnham Van Service	Engel Van Lines	Global Van Lines	Greyhound Van Lines	John V. Ivory Storage Co.	King Van Lines	Lyon Moving & Storage Co.	National Van Lines	Neptune World Wide Moving
Shipments delivered	56,819	83,722	7,830	13,980	40,956	2,336	1,982	9,056	7,376	3,267	5,176	7,625	4,446	1,388
Shipments estimated	42,876	47,764	5,839	8,573	18,335	1,116	1,835	8,669	5,901	1,972	2,727	2,887	2,311	1,243
Percentage of shipments on which there occurred a 10% or greater overestimation of charges	37.80%	28.24%	30.66%	28.92%	40.9%	19%	5.8%	19.9%	21.46%	17.91%	13.5%	9.2%	20.2%	18%
Percentage of shipments on which there occurred a 10% or greater underestimation of charges	23.75%	25.28%	23.71%	26.15%	23%	21%	8.1%	19.7%	15.52%	15.61%	24.8%	11.2%	24.7%	21%
Percentage of shipments picked up more than 5 days later than specified in the Order for Service	1.09%	6.05%	1.54%	1.77%	1.1%	8%	1.6%	1.8%	4.20%	1.94%	.04%	1.3%	.1%	.01%
Percentage of shipments picked up 1 to 5 days later than specified in the Order for Service	3.83%	10.03%	3.70%	2.42%	4.8%	13%	3.2%	6.3%	14.25%	9.25%	.05%	5.3%	.8%	.01%
Percentage of shipments delivered more than 5 days later than specified in the Order for Service	7.59%	9.33%	12.04%	10.71%	5.2%	17%	5%	6.3%	10.94%	11.6%	10%	14%	12%	6%
Percentage of shipments delivered 1 to 5 days later than specified in the Order for Service	11.65%	11.90%	10.88%	13.61%	7%	13%	6.6%	8.1%	9.67%	14.62%	9.5%	15.9%	14.5%	8.1%
Percentage of shipments on which a \$50 or greater claim for loss or damage was filed	22.72%	23.70%	17.18%	13.11%	16%	17%	16%	12.6%	14.75%	11.91%	12%	16.4%	19.9%	25.6%
Percentage of claims filed for damages or expenses resulting from carrier delay	2%	.94%	1.85%	1.09%	1.9%	8%	1.3%	1.4%	.80%	.7%	.4%	2%	2.1%	.01%
Average number of days to settle claims for loss or damage (for claims settled during 1974)	42	54	40	46	18	24	52	46	45	20	26	63	44	2
Percentage of claims for the calendar year settled prior to:														
(a) institution of judicial process	99.56%	99.87%	99.96%	100%	99.3%	100%	99.7%	100%	86.19%	100%	100%	98.4%	98.6%	99.0%
(b) completion of judicial process	.40%	.07%	0%	0%	.4%	0%	.1%	0%	.18%	0%	0%	.8%	1.3%	.9%
Percentage of claims carried to the completion of the judicial process & the entering of a final decree:	0%	.06%	0%	0%	.3%	0%	.2%	0%	0%	0%	0%	.8%	.1%	.1%

* ICC stresses that the figures given here were submitted by the companies; these statistics have not yet been verified. However, ICC does plan to spot-check the reports for accuracy.

** ICC also has on file performance data for service families moved by Defense Dept. & for civilian families moved by other Federal agencies or by private corporations. Readers interested in these additional figures may examine them at

ICC regional office, Fort Worth & moving to House Commission, Wash.

	North American Van Lines	Pan American Van Lines	Pyramid Van Lines	Republic Van & Storage Co.	United Van Lines	Wheaton Van Lines
382	56,847	2,166	209	7,665	39,932	5,457
243	43,135	1,750	79	5,692	18,869	3,184
3%	29.5%	17%	30.2%	18.9%	26.1%	29%
1%	26.9%	30%	25.3%	23.3%	25.4%	17%
1%	5.4%	2%	0%	0%	5.7%	1.2%
1%	7.4%	0%	0%	0%	10.4%	2%
6%	7.6%	3%	12%	6.8%	6.1%	13%
1%	7.6%	9%	13.9%	8.7%	8.6%	10.4%
6%	16%	17%	12.9%	11.1%	12.8%	13.2%
1%	.3%	1%	1.4%	.8%	1.2%	1.3%
28	50	67	24	32	31	46
100%	99.53%	100%	100%	99.3%	99.31%	100%
.9%	.43%	0%	0%	.8%	.63%	0%
.1%	.04%	0%	0%	.2%	.06%	0%

offices (Boston, Philadelphia, Atlanta, Chicago, & San Francisco) or may request them by write to Household Goods Branch, Interstate Commerce Commission, Washington, DC 20423.

Dear Consumer:

Have you heard my radio show? Let me use this space to tell you a little about it.

HELP is the brief name for this brief show—just 4 minutes of information for consumers. My guests & I talk about cars, nutrition, toy safety, credit & many other topics—& about how you can save money, time & energy.

I've asked radio stations all over the country to broadcast the show. If you'd like to hear me, tune in. If you don't find me on the dial, call your local station & ask what time of day it is using my radio show. Remember, the name is HELP.

Sincerely,

Virginia Krauer

Tire recalls & car warnings: new help for consumers

In an effort to reach more car owners—especially owners of second-hand cars—with notices of tire recalls & auto defects, a special notification program has been launched by **Office of Consumer Affairs (OCA) & National Highway Traffic Safety Administration (NHTSA)**. Under the new program, the 2 Federal agencies will send tire recall & auto defect data directly to state & local consumer protection agencies which will circulate the information to consumers & to local news media.

The new notification program is intended to supplement & improve the present NHTSA notification system, mandated by law, under which manufacturers contact (1) NHTSA, which notifies national media sources & (2) owners of affected cars & tires, as recorded in files of dealers. Drawbacks in that system include difficulties in registering all tire owners & in locating all owners of used cars. A survey by **Transportation Dept.'s National Motor Vehicle Safety Advisory Council**, in June 1974, showed that more than 50% of the affected cars owners—particularly used-car owners—are not returning recalled vehicles to dealers for inspection & repair.

OCA/NHTSA notification program will work like this:

- Tire recall information will be supplied by tire manufacturers to OCA for distribution to NHTSA & to state & local consumer offices participating in the program;
- Auto defect data will be supplied to NHTSA, which will forward it—with information on auto hazards & auto safety investigations—to all participating state & local agencies.
- Local consumer offices will use their own bulletins as well as local newspaper, radio & television outlets to alert consumers.
- In addition, local & state offices will be encouraged to notify OCA & NHTSA whenever they receive consumer complaints regarding suspected tire & auto safety hazards, thus providing valuable local input.

Consumers may contact local consumer protection offices to learn whether their state & community will participate in the program.

Recalls

● **COLOR TELEVISION—Food & Drug Administration (FDA)** announces that 3 manufacturers of television sets will correct, at no cost to consumers, certain models which FDA has found to be capable of emitting X-rays in excess of maximum limits allowed under Federal standards. Models & manufacturers involved are:

Panasonic models CT396 & CT993 (Matsushita Electric Corp.).

Quasar models WP5532LW, WP-5534LW & WP5538LS (Quasar Electronics Corp.).

Toshiba model C945 (Toshiba America Inc.).

WHAT TO DO: Watch for letter from manufacturer, describing plan for correcting set. Until correction is made, view set from a distance of at least 6 feet (1½ meters) or stop using it.

● **TIRES—Office of Consumer Affairs (OCA)** announces that Cooper Tire & Rubber Co has recalled approximately 159 car tires with the following brand names & sizes: Sure-Belt Polyester Fiberglass, size L78-15 (ID #UTV3HDM 364); Cooper Weather-Master 400 Polyester, size L78-15 (ID #UTV-3F2P 424 & UTV3F2P 434). Company's test shows some tires did not pass Federal standards.

WHAT TO DO: For free replacement, consumer should return tires to dealer within 60 days after receiving recall notice in mail from Cooper Co.

Rate Register

As you may have noticed, CONSUMER NEWS has been publishing RATE REGISTER for several months, as a regular supplement to the newsletter. This supplement contains information about regulatory agencies that would not ordinarily be reported in CONSUMER REGISTER—which is primarily a summary of proposed government regulations. Information in RATE REGISTER is about new regulations & proposed increases & decreases for rates, fares & tariffs that affect consumers.

RATE REGISTER does not attempt to tell consumers what they can do about bus fares, telephone rates, plane transportation & other matters. It does tell, on a selective basis, what some regulated industries are proposing & how the regulatory agencies handle the proposals. Then—if agency procedures & time permit—RATE REGISTER lets consumers know what they can do to make their opinions heard.

Federal food facts

Following publications are available from Consumer Information, Dept. CN, Pueblo, CO 81009.

Can Your Kitchen Pass the Food Storage Test? free.

Food Additives, 25¢.

Food & Your Weight (lists calories per portion of common foods), 50¢.

Food Is More Than Just Something To Eat (guide to nutrition, includes daily food guide), free.

Food Safety (facts about salmonella, clostridium perfringens, staphylococcus & clostridium botulinum), free.

Food Shopper Language (guide to product terms used in grocery stores & food ads), free.

Soybeans in Family Meals, 35¢.

Standards for Meat & Poultry Products (minimum meat & poultry content of 232 processed, canned & frozen food products), free.

What's in Your Food Bill? (tips for cutting your grocery bill), free.

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